





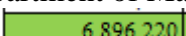
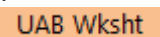
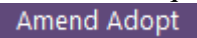
FY 2018 School Budget Instructions

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Valuation and Aid & Levy Inputs

- Excel Structure:** The excel file has no macros, so you do not need to enable macros as you have done in the past. The hope is the new structure and macro free workbook improves stability and the ability to work across all computer operating systems. Colors of the cells and tabs help the user identify required and important fields:
 - Yellow**  - Indicates a cell or worksheet where the user can input data.
 - Blue**  - Indicates a worksheet or cell where data is prepopulated or an informational tab for the user to review for their own informational purposes.
 - Orange**  - Indicates a cell filled in from a user input to understand what portions of the aid and levy a user has inputted data.
 - Light Blue**  - Indicates a prepopulated field the user should review and notify the Department of Management if any information does not match their records.
 - Green**  - Indicates important fields the user may find useful for different reports.
 - Coral**  - Indicates an optional worksheet for the user to review or input data. The worksheets are not required by the Department of Management or your County Auditor.
 - Purple**  - Amendment tabs for publishing and adopting an amendment for FY 2017.
- InputsResults Worksheet:** The starting point to complete your budget is the *InputsResults* worksheet.
 - Select your school district and fill in your name, phone number, and email address.

Person responsible for completing the FY 2018 School Budget Workbook

District Number	School District
#N/A	

First Select your School District

First Name:

Last Name:

Phone Number:

Extension:

E-Mail Address:

- Enter your district's taxable valuation, use the link provided for the correct report. Either type in the valuation, or copy and paste from the online report into the formula bar. DO NOT paste directly into the cell, you will encounter an error.

IOWA DEPARTMENT OF MANAGEMENT
ADAIR-CASEY SCHOOL JANUARY 1, 2016 NET TAXABLE VALUATIONS
FOR FY 2017/2018 TAX LEVIES

LA CODE	LEVY AUTHORITY	USE FOR COMPUTING PROPERTY TAX RATES INCLUDES GAS & ELECTRIC UTILITY VALUATIONS			USE FOR COMPUTING PROPERTY TAX DOLLARS EXCLUDES GAS & ELECTRIC UTILITY VALUATIONS		
		A	B	C	D	E	F
		VALUE FOR COMPUTING TAX RATES	APPLICABLE INCREMENT VALUE	DEBT SVC/403.19 EXCL RATES*	VALUE FOR COMPUTING TAXES LEVIED	APPLICABLE INCREMENT VALUE	DEBT SVC/403.19 EXCL RATES*
ADAIR COUNTY:							
01390018	ADAIR-CASEY	98,561,256	68,437,379	166,998,635	84,380,828	68,437,379	152,818,207
AUDUBON COUNTY:							
05390018	ADAIR-CASEY	2,583,899	702,254	3,286,153	2,554,829	702,254	3,257,083
GUTHRIE COUNTY:							
39390018	ADAIR-CASEY	67,917,283	23,483,546	91,400,829	65,154,338	23,483,546	88,637,884
TOTAL ALL COUNTIES:							
	ADAIR-CASEY	169,062,438	92,623,179	261,685,617	152,089,995	92,623,179	244,713,174

Valuation Inputs

1-1-16 Valuation WITH Gas & Electric Utilities

Taxable Valuation (Column A) 169,062,438

Increment -TIF (Column B) 92,623,179

Debt Service, PPEL, ISL (Column C) 261,685,617

1-1-16 Valuation WITHOUT Gas & Electric Utilities

Taxable Valuation (Column D) 152,089,995

Increment -TIF (Column E) 92,623,179

Debt Service, PPEL, ISL (Column F) 244,713,174

[Click here to view Taxable Valuations by Levy Authority](#)

- Enter your districts Taxable and 100% valuation by Class for Commercial and Industrial valuations. Either type in the valuation, or copy and paste from the online report into the formula bar. DO NOT paste directly into the cell, you will encounter an error.

1-1-16 Commercial and Industrial Taxable Property Valuations:

	Commercial	Industrial	Total
Non-TIF			0
TIF			0
Totals	0	0	0

[Click here to view Taxable Valuations by Class by Levy Authority](#)

1-1-16 Commercial and Industrial 100% Property Valuations:

	Commercial	Industrial	Total
Non-TIF			0
TIF			0
Totals	0	0	0

[Click here to view 100% Valuations by Class by Levy Authority](#)

- Pay attention to the report title and Inputs/Results area to make sure you are placing the Taxable Valuation and 100% valuation in the correct area.

Taxable Valuation by Class, by Levy Authority

IOWA DEPARTMENT OF MANAGEMENT JANUARY 1, 2016 TAXABLE VALUATIONS - ALL PROPERTY FOR FY2017/2018 TAX LEVIES BY CLASS OF PROPERTY, BY School - ADAIR-CASEY (390018)						
Ag Buildings	Commercial	Industrial	Multiresidential	Reserved	Railroads	Utilities WOGas & Electric
1.048.542	14.318.068	26.914.416	408.338	0	2.885.434	2.019.773
0	5.020.764	87.287.797	3.462	0	0	0
1.048.542	19.338.832	114.202.213	411.800	0	2.885.434	2.019.773

100% Valuation by Class, by Levy Authority

IOWA DEPARTMENT OF MANAGEMENT JANUARY 1, 2016 100% VALUATIONS - ALL PROPERTY FOR FY2017/2018 TAX LEVIES BY CLASS OF PROPERTY, BY School - ADAIR-CASEY (390018)						
Ag Buildings	Commercial	Industrial	Multiresidential	Reserved	Railroads	Utilities WOGas & Electric
2.207.575	16.466.823	39.603.551	495.690	0	3.206.037	2.019.773
0	5.020.764	87.287.797	3.462	0	0	0
2.207.575	21.487.587	126.891.348	499.152	0	3.206.037	2.019.773

- Audited Change in Enrollment:** Enter your districts audited change in enrollment for fall 2014 and fall 2015. Some districts will have numbers prefilled, but you can override the numbers if you disagree. Most districts will only have fall 2015 changes. Make sure you separate out audit changes for certified enrollment versus supplementary weight. The property tax portion is calculated differently depending on if the district was or was not on the 101% budget adjustment for the fiscal year.

Audited Change in Enrollment	
0.0	Fall 2014 Certified Enrollment Change
0.000	Fall 2014 Supplementary Weight Change - Sharing and ELL
0.0	Fall 2015 Certified Enrollment Change
0.000	Fall 2015 Supplementary Weight Change - Sharing and ELL

4. **State Aid Funding:** The Aid and Levy Worksheet in the School Budget Startup file is based on a zero state percent of growth for both regular program and the categorical programs (teacher salary supplement, professional development supplement, early intervention supplement and teacher leadership supplement). This means no change to cost per pupil amounts. In addition, the state foundation aid reduction for Area Education Agencies (AEA flowthrough amount) on lines 5.16 and 16.8 of the Aid and Levy Worksheet is based on current law. *If the Legislature establishes a state percent of growth for FY 2018 or makes other changes, the final Aid and Levy Worksheet will be adjusted accordingly.* To review various scenarios, enter different state percent of growth rates in the middle section of the *InputsResults* worksheet.

0.0000	Enter Regular Program State Percent of Growth
0.0000	Enter Teacher Salary Supplement State Percent of Growth
0.0000	Enter Professional Development Supplement State Percent of Growth
0.0000	Enter Early Intervention Supplement State Percent of Growth
0.0000	Enter Teacher Leadership Supplement State Percent of Growth

5. **Dropout Prevention Modified Supplemental Amount:** Line 5.17 of the Aid and Levy Worksheet must equal the modified supplemental amount (line 16) requested through your at-risk/dropout program application form. If you want to change the requested amount prior to SBRC approval, contact Gary Schwartz (gary.schwartz@iowa.gov) to amend the application.
6. **Preschool Enrollment Audit:** Line 7.31 is for any errors in the October 2015 Preschool budget enrollment discovered by state or independent auditors. This provides the basis for adjustments to the FY 2018 budget and state aid.
7. **Instructional Support Program:** Enter the maximum instructional support program voted by the electorate or authorized by the board of directors on line 10.4.
- If your instructional support program includes an income surtax component, first enter district income tax paid in 2015. *Income taxes for 2015 will be available on the Department of Management's website - <https://dom.iowa.gov/schools> - sometime in March 2017. Until then, use 2014 taxes as an estimate for line 10.16.*
 - Then enter the surtax rate, in whole percentage points, on line 10.15.
8. **Educational Improvement Program:** Schools that initiated educational improvement programs in FY 1992 are eligible for the educational improvement program covered by section 11. In addition, the three schools that had a maximum voted enrichment of 15% are also eligible for additional educational improvement funding, if approved by the voters. Enter the voted maximum portion and the income surtax rate on lines 11.2 and 11.4 respectively.
9. **Cash Reserve Levy:** On line 15.9, enter the cash reserve levy to fund modified supplemental amounts approved by the SBRC during FY 2017 for any year prior to FY 2018. This might include special education deficit balance, on-time funding or open enrollment out. Include these amounts in the computation of unspent budget authority and to finance it with property taxes, on line 15.9 as a cash reserve levy. Note these amounts are subject to the Cash Reserve Levy limit (20% of total general fund expenditures minus the unexpended fund balance).

The cash reserve levy on line 15.10 is for cash flow purposes. Section 298.10, Code of Iowa limits the amount of cash reserve a school district can levy (line 15.9 plus line 15.10) to 20% of the total general

fund expenditures shown on the 2016 Certified Annual Report (CAR) minus the assigned and unassigned fund balance shown on the 2016 CAR. On line 15.11, enter the portion, if any, of the general fund ending balance as defined by GASB 54 and shown on the 2016 CAR, which the board of directors has authorized to be used to reduce property taxes. The limit applies even for SBRC approved Modified Supplemental Amount included on line 15.9. See the Department of Management's website for preliminary FY 2018 Cash Reserve Levy limitations. There is a warning message to alert you if the Cash Reserve Levy limit is exceeded. Remember the Cash Reserve Levy (and all other levies) can be reduced after the budget is published and adopted but cannot be increased.

- **Maximum Cash Reserve Levy** – The maximum cash reserve levy for 15.9 plus 15.10 is listed in the area *Information to help fill out budget*. You cannot enter an amount greater than what is shown for your district.

→ 702,213 15.9 + 15.10 Maximum Cash Reserve Levy

10. **Voted Physical Plant & Equipment (VPPEL):** Enter the maximum VPPEL rate voted on line 19.2. Enter the VPPEL surtax rate on line 19.4. If your VPPEL authorization specifies the funding is a combination of income surtax and property tax then the budget must include at least 1% income surtax. If your authorization does not specify income surtax then all funding must come from property taxes.

11. **Other Property & Utility Replacement Taxes:** Enter the amount of property taxes for other funds on the appropriate lines.

- **Maximum Regular Physical Plant & Equipment Levy (PPEL)** – The maximum regular PPEL amount for line 21.3 is listed in the area *Information to help fill out budget*. You cannot enter an amount greater than what is shown for your district. If you enter the amount shown your rate will be \$0.33.

→ 86,356 21.3 Maximum Regular Physical Plant & Equipment Levy

- **Debt Service** – Complete Form703 to enter the amount for line 21.7.

12. **Form 703 – Long Term Debt Schedule:** The Long-Term Debt Schedule (Form703) summarizes budgetary requirements for all long-term debt including general obligation bonds, loan agreements, and lease-purchase arrangements. This form includes a column with a dropdown to indicate whether the listed long-term debt is general obligation debt or non-general obligation debt. Debt Service property tax can only be levied for general obligation debt.

- Selecting GO will populate column J to levy the Debt Service Tax, Selecting Non-GO will not populate column J because you cannot levy debt service for Non-GO bonds.
- Green indicates debt service taxes will be levied, Red indicates debt service taxes will not be levied.

	Project Name (A)	(B)	(C)	(D)	(E)	+(F)	+(G)	=(H)	-(I)	=(J)
(1)	All Voted PPEL Loan agreements on this line		Non-GO		350,659			350,659		350,659
(2)										
(3)	2014 GO Bond	20,000,000	GO		1,016,434	42,393	1,000	1,059,827		1,059,827
(4)	2015 Revenue Bond	500,000	Non-GO		20,000	500		20,500		0

Aid & Levy and Tax Cert Results

Aid and Levy Results: There are 18 fields from the aid and levy displayed on the right side of the *InputsResults* worksheet. It is a small selection of fields the district may find helpful in completing their budget. For example, you can enter in different percent of growth rates to see when a district is or is not on the 101% budget adjustment (line 4.8)

Tax Cert Results: The tax rate and total dollars are listed below the Aid and Levy Results. This is to help the user adjust property tax dollars and see the impact on the district's levy rate without having to go to the TaxCert worksheet.

Error Messages and Warnings to Correct Before Filing

Error Messages and Warnings: The final section of the *InputsResults* worksheet displays error messages and warnings. The messages will not show up unless something is entered incorrectly. Review all messages before submitting your budget.

Important Reminders

1. **Supplementary Weighting Line 3.9:** Supplementary weight for line 3.9 has not been finalized by the Department of Education as of January 31, 2017. When it is finalized a new version of the startup file will be posted as well as a full breakdown of line 3.9. If you have been working on your file you can send it to the Department of Management to input in your final weight.
2. **Property Tax Replacement Payment:** In FY 2014 through FY 2017, when the Legislature sets the state percent of growth greater than zero, the additional levy portion (12.5%) of the increase in regular program cost per pupil is being replaced by state aid. Lines 8.15 to 8.19 of the Aid and Levy Worksheet calculate this Property Tax Replacement Payment (PTRP). The amount was \$15 per pupil in FY 2014, \$46 in FY 2015, \$56 in FY 2016, and \$74 in FY 2017. The FY 2017 amount of \$74 will continue into the future. If the Legislature extends this provision for FY 2018 and sets supplemental state aid it will reduce the district's additional levy rate.
3. **Instructional Support State Aid Funding:** The Legislature last provided state foundation aid for the Instructional Support program in FY 2011. The funding is in place for FY 2018 at \$14,798,225 unless the legislature strikes the appropriation as it has done in the past. Line 10.23 shows a proration amount for the state appropriation and line 10.24 shows your district's share of the state aid. If the appropriation changes or is removed, the final aid and levy will be adjusted.
4. **Unspent Authorized Budget Worksheet – Categorical Detail:**
The Unspent Authorized Budget Worksheet page (UAB Wksht) breaks out the categorical funding components of the Unspent Authorized Budget. Use this information to see how much of your unspent budget is restricted for specific purposes and how much is available for general purpose budgeting. Input information in the yellow boxes to get a better idea of your district's Unspent Authorized budget.
5. **Commercial and Industrial State Replacement Adjustment:** SF 295, adopted during the 2013 legislative session, provides for wide-ranging property tax reform. Among other changes, the bill included a new rollback on Commercial and Industrial (C/I) property valuations. A rollback is the percent of property value that is subject to tax. The C/I rollback is 95% in FY 2015 and 90% in FY 2016 and beyond. The state is reimbursing local governments, including school districts, for the loss

of property taxes due to this new C/I valuation rollback. Sections 6 and 13 of the Aid and Levy Worksheet calculate an adjustment to the uniform and additional levies so that districts do not collect both the state replacement amounts and collect the same amounts in state aid and property taxes through the school foundation aid formula. In addition, the School Budget Startup file includes the worksheet, “C I Est” that can be used to estimate your C/I state replacement payment for FY 2018.

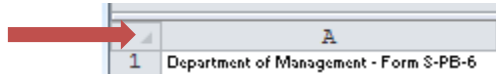
Remember to consider Commercial and Industrial State Replacement revenue when determining your FY 2018 property tax levies, particularly the Cash Reserve, Management and Debt Service levies.

Beginning in FY 2018, Commercial and Industrial replacement payments paid by the State of Iowa to local governments becomes limited by the total amount of payments made in FY 2017. The limitation may cause all payments to local governments to be pro-rated. The amount of proration necessary for the budget year will not be known until August. The worksheet includes dropdown to allow the estimated commercial & industrial replacement payments to be reduced by a selected proration percentage. The estimated FY 2017 payment amount is included in case you would like to prorate the FY 2018 replacement to be close to the FY 2017 estimate.

6. **Teacher Leadership Supplement (TLS) Funding:** In the first year a school district implements its approved Teacher Leadership and Compensation plan, payments flow from a separate allocation to the Department of Education and will be part of miscellaneous income. In subsequent years, TLS becomes a categorical funding stream included on the Aid and Levy Worksheet. All districts are now in the formula and will have an amount on line 4.46.
7. **Budget Adjustment:** In order to receive the 101% budget adjustment, eligible districts must adopt a local school board resolution. Find the final budget adjustment amount on line 4.8 of the Aid and Levy Worksheet. A copy of the resolution is due to the Department of Management by April 15. A separate board resolution is required. Simply adopting the budget does not meet this requirement. Following is an *example* of board resolution language that could be used for the budget adjustment in FY 2018:
RESOLVED, that the Board of Directors of _____ community school district, will levy property tax for fiscal year 2017-2018 for the regular program budget adjustment as allowed under section 257.14, Code of Iowa.
8. **Property Tax Relief from Statewide Penny:** Line 8.31 of the Aid and Levy Worksheet includes an estimate of the Adjusted Additional Property Tax Levy Aid. This additional state foundation aid lowers the general fund property tax levies in districts with the highest additional property tax levy rate (lowest taxable valuation per pupil). The estimate includes \$24,000,000 state general fund appropriation plus an additional \$9,724,545 from the Property Equity and Relief (PTER) Fund. PTER funding is revenue generated from the new statewide penny in excess of the amount distributed to school districts based on the distribution formula used for SILO funds. About 65 districts are expected to receive the Adjusted Additional Property Tax Levy Aid in FY 2018. The amounts on lines 8.28 and 8.31 are estimates. The number of districts and adjustment amounts will be known when total valuations are complete. The adjustment carries forward to line 8.43 as a reduction to the additional levy and line 9.8 as an increase to state foundation aid.

9. Microsoft Excel Tips:

- There are no buttons to create a separate excel file for publishing a notice or the UAB Wksht. There are two options for saving these worksheets.
 - i. File → Print → PDF - will print to a PDF to send to the paper or keep for your files.
 - ii. Right Click on the Worksheet tab → Select *Move or Copy...* → Check the box next to *Create a copy* → Using the dropdown select (*new book*) → File will open in a new excel document → Right click in the area between Row 1 and Column A



→ Select Copy → Paste Special → Values

- Complete the budget using Microsoft Excel. The budget file cannot be created and submitted on open-source software such as OpenOffice.

10. Publication Requirements for the Budget Public Hearing: The notice of public hearing on the budget must be published, in a newspaper of general circulation within the district, not less than ten nor more than twenty days before the hearing. Include the day of publication, but not the day of the hearing, in the calculation. A minimum of ten days notice, in the newspaper, is required. If inclement weather causes cancellation of the public hearing, the hearing is rescheduled and the notice is republished again meeting the 10-20 day requirement.

11. Adjustment for Property Tax Repayment due to Property Assessment Appeal: Section 257.12, Code of Iowa specifies that if a school district is required to repay property taxes due to property valuation reduction action of the property assessment appeal board or judicial action, the district can apply to the Department of Management for an adjustment in state foundation aid if the property valuation reduction meets certain requirements. When applicable, that adjustment will be shown as an increase in state foundation aid on Line 9.10 of the Aid and Levy Worksheet. See the instructions for Aid and Levy Section 9 for additional detail.

The following forms are included in the school budget Excel file:

Inputs and Results	User selects their school district, inputs valuations, fills in aid and levy fields, views select aid and levy results, tax certification results, and errors and warnings. <i>Electronic Sheet Tab Name: InputsResults</i>
Aid and Levy Worksheet	Calculations for a school district spending authority. No user inputs <i>Electronic Sheet Tab Name: AidLevy</i>
Form S-PB Proposed Budget Summary	Summarizes proposed resources and requirements. <i>Electronic Sheet Tab Name: Proposed</i>
Form S-AB Adopted Budget Summary	Summarizes adopted resources and requirements. <i>Electronic Sheet Tab Name: Adopted</i>
Form S-TX Adoption Of Budget and Taxes	Certifies property and utility replacement tax levies, and income surtax rates. <i>Electronic Sheet Tab Name: TaxCert</i>
Form S-W1 Worksheet Page 1	Identifies resources and requirements for each fund for FY 2018. <i>Electronic Sheet Tab Name: FY18Wk1</i>
Form S-W2 Worksheet Page 2	Continues resources and requirements list. Includes re-estimated FY 2017 and actual FY 2016 totals. <i>Electronic Sheet Tab Name: FY18Wk2</i>
Form S-W1 Worksheet Page 1	Re-estimated worksheet for FY 2017. <i>Electronic Sheet Tab Name: FY17Wk1</i>
Form S-W2 Worksheet Page 2	Continues resources and requirements list for re-estimated FY 2017. <i>Electronic Sheet Tab Name: FY17Wk2</i>
Form 703 Long-Term Debt	Summarizes FY 2018 budgetary requirements for long-term debt. <i>Electronic Sheet Tab Name: Form703</i>
Publication	Prints proposed budget summary in 6-point font for publication. <i>Electronic Sheet Tab Name: Publication</i>

Optional Forms:

Form C I Est	Used to estimate C/I state replacement payment. <i>Electronic Sheet Tab Name: C I Est</i>
Unspent Authorized Budget Worksheet	Optional worksheet for calculating unspent authorized budget. <i>Electronic Sheet Tab Name: UAB Wksht</i>

Blank Copies of Worksheet 1 and 2	Blank copies of the worksheets for prior years are available. <i>Electronic Sheet Tab Name: FY16Wk1, and FY16Wk2</i>
Form 703A Twenty-Year Long Term Debt Schedule	Complete for each new bond issue, long-term loan agreement, capital lease or lease-purchase arrangement. <i>Electronic Sheet Tab Name: Form 703A, 703A(2), 703A(3)</i>
Form S-A Publication Amendment of Budget	Provides notice of public hearing for amending the budget. <i>Electronic Sheet Tab Name: Amend Publ</i>
Form S-A Adoption Of Amendment	Provides record of hearing and adoption of budget amendment. <i>Electronic Sheet Tab Name: Amend Adopt</i>

FY 2018 State Percent of Growth

The Legislature has not set the state percent of growth for FY 2018, therefore, the aid and levy worksheet is based on zero percent. This means no increase in the cost per pupil amounts. With zero state percent of growth, the FY 2017 state cost per pupil stays at \$6,591. The aid and levy worksheet is also based on zero state percent of growth, no increase, for Teacher Salary Supplement, Professional Development Supplement, Early Intervention Supplement and Teacher Leadership Supplement.

Budget Adjustment (Guarantee) Resolution

Districts that are eligible for the regular program budget adjustment (101% adjustment) must adopt a local school board resolution. The final budget adjustment amount is shown on line 4.8 of the aid and levy worksheet. A copy of the resolution is due to the Department of Management by April 15. Following is an *example* of board resolution language that could be used for the budget adjustment in FY 2018: RESOLVED, that the Board of Directors of _____ community school district, will levy property tax for fiscal year 2017-2018 for the regular program budget adjustment as allowed under section 257.14, Code of Iowa.

There is a 100% budget adjustment for Teacher Salary, Professional Development, Early Intervention Supplement and Teacher Leadership Supplement funding. State foundation aid is the funding source for these budget adjustments. A local school board resolution is not required.

Publishing Requirements

The notice of public hearing on the budget must be published in a newspaper of general circulation within the district not less than ten or more than twenty days before the hearing. Include the day of publication, but not the day of the hearing, in the calculation. A minimum of ten days notice, in the newspaper, is required. If inclement weather causes cancellation of the public hearing, the hearing is rescheduled and the notice is republished again meeting the 10-20 day requirement.

Public Access to Outstanding Levies

Section 298.6, Code of Iowa requires school districts to provide public access to a list of all outstanding levies by rate, amount, duration, and the applicable maximum levy limitations. The information is to be provided at the beginning of the school year, and updated prior to certifying any levy by board approval or submitting a levy for voter approval. The information is to be posted on the district's internet website or, if the district does not maintain a website, distributed or posted throughout the district. The Department of Management's website

includes an Excel spreadsheet called “Outstanding Property Tax Levies and Maximum Levy Limits”, with the required information for all districts at this location: <https://dom.iowa.gov/schools>.

The Department of Education’s website <http://reports.educateiowa.gov/> includes additional information required for the annual school district financial report specified in section 279.63, Code of Iowa.

Filing Requirements

File budgets with the control county auditor by April 17 as follows:

- File one (1) ORIGINAL proof of publication. The county auditor will verify that publication requirements are met.
- File one (1) PAPER copy of the Adopted Budget Summary (Form S-AB), Worksheets (Forms S-W1 and S-W2), and Bond Schedules (Form 703 and Form 703A for new issues). The county auditor keeps these paper forms on file.
- File two (2) SIGNED originals of Adoption of Budget and Taxes (Tax Certification Form S-TX). The county auditor will compare the proof of publication with the Adopted Budget Summary, verify debt service and loan agreement needs, sign one copy of the Adoption of Budget and Taxes form and forward it to the Department of Management.
- File the EXCEL budget file by uploading to the website hosted by the Department of Management, <https://dom.iowa.gov/schools>. Click on the “Submit Budget” button in the middle of the page and follow the instructions on the screen. The file extension should be .xlsx. Name the file **XXXX18.xlsx**, (XXXX is the four digit school district code). The county auditor will certify the Excel budget file to the Department of Management via the website.

Do NOT email the Excel file or send a paper copy to the Department of Management. You do NOT need to send the budget documents (paper or electronic) to the School Budget Review Committee, Department of Education. The Department of Management will provide the SBRC with the budget information.

If you have had an election for instructional support, playground (PERL) or voted physical plant and equipment levies, make sure a copy of the ballot question, together with a brief statement that the issue passed has been sent to the Department of Management. Also, a copy of the resolution for new or reauthorized instructional support programs approved by the board of directors, together with a brief statement that the resolution was adopted in compliance with Chapter 257 must be sent to the Department of Management.

File a bond resolution with the county auditor before May 1, 2017, if you intend to include taxes for a new bond issue in the FY 2018 levy.

Aid and Levy Worksheet

Section 1 Budget Enrollment. October 2016 headcount (from the certified enrollment summary) has been entered. If you have any questions about this certified enrollment amount check your final certified enrollment forms at the Department of Education’s website. If there is a discrepancy between the website and the numbers on the aid and levy worksheet, notify the Department of Management. If there is a discrepancy with the final certified enrollment on the website, notify your auditor. Line 1.2 is for any errors in the October 2015 certified enrollment discovered by state or independent auditors. This provides the basis for adjustments to the FY 2018 budget, state aid, and property tax. The excel file calculates line 1.4 and it may not be the same calculation as shown. Line 1.4 is adjusted so that your enrollment audit adjustment, if it had been implemented in FY 2017, would not have caused you to drop below the 101% "guarantee" level for the regular program. (On the other hand, if you were at the “guarantee” level in FY 2017, an audit adjustment, which adds additional students, will not increase your total spending authority if the additional students still did not get you over the “guarantee” level.)

Section 2 Regular Program District Cost Per Pupil. No entries are needed in Section 2. Line 2.1 is the FY 2017 Regular Program district cost per pupil. Line 2.2 shows zero as the FY 2018 regular program supplemental state aid amount per pupil. The Legislature has not established the state percent of growth for FY 2018. The district cost per pupil for FY 2018 is on line 2.3.

In FY 2018, your district cost per pupil amount on line 2.3 includes \$61 for Talented and Gifted programs. This amount per pupil is 75% of the district's total Talented and Gifted program budget. A local match of 25% is required. Multiply \$61 times your budget enrollment (line 1.1 of the aid and levy worksheet) to determine the 75% minimum. Divide this figure by .75 to determine the minimum *total* budget for Talented and Gifted programs. This funding must be used only for Talented and Gifted programs and must be carried forward if unexpended at the end of the fiscal year.

Lines 2.4 through 2.15 are the cost per pupil amounts for the Teacher Salary Supplement, Professional Development Supplement, Early Intervention Supplement and Teacher Leadership Supplement. The supplemental state aid amounts per pupil are shown as zero since the Legislature has not established these state percents of growth.

Section 3 Weighted Enrollment. Section 3 lists the components of special education and supplementary weightings by category. The School Budget Review Committee did not change special education weightings for FY 2018. The special education weightings from the Department of Education have been entered on lines 3.1, 3.2 and 3.3. The Department of Management calculates line 3.7, supplementary weight for AEA sharing, to generate the approved AEA operational function sharing dollars. Supplementary weighting for school district sharing of operational functions, shared teachers/students, community college concurrent enrollment, whole grade sharing (under certain circumstances), classes taught using the ICN video network, and regional academies is included on line 3.9. Supplementary weighting for the at-risk formula is on line 3.10 and ELL supplementary weighting is on line 3.11. Line 3.12 will be used for extending supplementary whole grade sharing weights after districts reorganize.

Section 4 Combined District Cost Calculation. This section provides for calculation of most of the components of combined district cost. No entries are needed. The Regular Program budget adjustment is calculated on lines 4.1 through 4.8. The regular program budget adjustment (i.e., "budget guarantee") for FY 2018 is 101% of the FY 2017 regular program cost less the FY 2018 regular program cost. The Regular Program budget adjustment is funded with local property taxes. *A local board resolution accepting the adjustment must be provided to the Department of Management by April 15.*

Lines 4.9 through 4.46 calculate the combined district cost components for school districts and lines 4.47 through 4.82 calculate the combined district cost components for AEAs. A 100% budget guarantee calculation is included for Teacher Salary Supplement, Professional Development Supplement, Early Intervention Supplement, Teacher Leadership Supplement, AEA Teacher Salary Supplement and AEA Professional Development Supplement. These budget adjustments are funded by state foundation aid.

Lines 4.56, Resident Accredited Nonpublic Students, and 4.57, Shared-Time Nonpublic Pupils Counted in Line 1.1, have been entered from the 2016 Certified Supplementary Weighting application.

Section 5 Combined District Cost Summary. Enter on line 5.17 the modified supplemental amount approved by the SBRC, for returning dropout and dropout prevention programs. Line 5.17 must equal the modified supplemental amount on your at-risk/dropout program application form to the Department of Education and approved by the SBRC. If you want to change the requested amount prior to SBRC approval, contact Gary Schwartz (gary.schwartz@iowa.gov) to amend the application.

The amount amount of Teacher Salary Supplement, Professional Development Supplement, Early Intervention Supplement and Teacher Leadership Supplement categorical funds in section 5 of the aid and levy worksheet includes both the unadjusted district cost and the budget adjustment. The budget adjustment guarantees 100% of the previous year's unadjusted district cost. This detail can be found in section 4 as follows:

- Teacher Salary Supplement
 - FY 2018 Unadjusted district cost – line 4.17 (this is the guaranteed funding level for FY 2018)
 - FY 2018 Budget adjustment – line 4.20
 - FY 2018 Total Teacher Salary Supplement district cost – line 4.22 and line 5.5
- Professional Development Supplement
 - FY 2018 Unadjusted district cost – line 4.25 (this is the guaranteed funding level for FY 2018)
 - FY 2018 Budget adjustment – line 4.28
 - FY 2018 Total Professional Development Supplement district cost – line 4.30 and line 5.6
- Early Intervention Supplement
 - FY 2018 Unadjusted district cost – line 4.33 (this is the guaranteed funding level for FY 2018)
 - FY 2018 Budget adjustment – line 4.36
 - FY 2018 Total Early Intervention Supplement district cost – line 4.38 and line 5.7
- Teacher Leadership Supplement
 - FY 2018 Unadjusted district cost – line 4.41 (this is the guaranteed funding level for FY 2018)
 - FY 2018 Budget adjustment – line 4.44
 - FY 2018 Total Teacher Leadership Supplement district cost – line 4.46 and line 5.8

Section 6 Uniform Property Tax Dollars. For line 6.1, the 2016 taxable valuation *with* gas and electric utilities included, received from the county auditor(s), is entered on the *InputsResults* worksheet in the valuation section.

Gas and electric utility companies pay excise taxes based upon energy delivered instead of property taxes. Gas and electric utility property valuations and school district property tax rates are used to estimate the amount of excise tax revenue. The utility replacement excise tax is treated as property tax for purposes of the school foundation aid formula. Lines 6.4 through 6.8 compare the uniform levy portion of utility replacement excise tax that was estimated for FY 2017 with the amount actually paid and adds or subtracts the difference to the uniform levy. No entries are needed for this adjustment.

Beginning with FY 2015, commercial and industrial (C/I) taxable property valuations are set at a percentage of the assessed valuation. The C/I rollback is 95% for assessment year 2013 (FY 2015 budget year) and 90% for assessment year 2014 (FY 2016 budget year) and thereafter. The state is replacing the taxes that would have been paid without the new rollback. The C/I state replacement payment will be distributed to you, through the county treasurer, along with property taxes. The adjustment computed on lines 6.9 through 6.20 of the aid and levy worksheet is required by law so that a school district does not collect both the state replacement amount and increased state aid from the reduction in C/I valuations. Enter taxable and 100% valuations for C/I property on the *InputsResults* worksheet in the valuation section. Lines 6.9 through 6.13 estimate the FY 2018 uniform levy portion of the state replacement. Lines 6.14 through 6.18 compare the uniform levy portion of the C/I state replacement payment that was estimated for FY 2017 with the amount actually paid and adds or subtracts the difference to current year's estimate.

Section 7. State Foundation Aid. No entries are needed in section 7. The foundation percentage is 87.5% for both the regular program and special education. It is 79% for AEA special education support. With zero state percent of growth, the state regular program foundation cost per pupil and state special education foundation cost per pupil amounts are \$5,767, and the state AEA special education support foundation cost per pupil is \$229. These per pupil amounts have been entered on lines 7.1, 7.4, and 7.7. Lines 7.10 and 7.11 add the

funding for AEA Teacher Salary Supplement and AEA Professional Development Supplement into total AEA state foundation dollars. Lines 7.16 through 7.19 add the funding for Teacher Salary Supplement, Professional Development Supplement, Early Intervention Supplement and Teacher Leadership Supplement into total state foundation dollars.

Four-Year-Old Preschool foundation aid formula funding is calculated on lines 7.28 through 7.35. Preschool budget enrollment (actual enrollment multiplied by 50%) is included on line 7.28 (from the certified enrollment summary form). FY 2018 regular program state cost per pupil is on line 7.29. Line 7.28 multiplied by line 7.29 equals preschool foundation aid on line 7.30. Line 7.31 is for any errors in the October 2015 Preschool budget enrollment discovered by state or independent auditors. This provides the basis for adjustments to the FY 2018 budget and state aid. Preschool foundation aid formula funding is carried forward from line 7.35 to lines 9.11 and 17.6 of the aid and levy worksheet.

Iowa Code 256C.5 (4) grants the Department of Education an amount paid off the top of the school district preschool state aid for state administration and oversight of the preschool program. The amount was \$33.17 per preschool budget enrollment in FY 2017. You can estimate a similar amount will come off the top of preschool state aid in FY 2018. The actual amount will be provided in June with the final aid and levy worksheets and tax certifications.

Section 8. Additional Property Taxes. Section 8 calculates the additional property tax levy. Lines 8.1 through 8.4 calculate the additional dollar levy prior to adjustments.

The property tax adjustment aid that you received in FY 2017 is reduced in FY 2018 by the same percentage that taxable valuation grows over the period. This is computed on lines 8.5 through 8.15. Decreases in property tax adjustment aid cause increases in property taxes and commensurate decreases in state aid.

Lines 8.15 through 8.19 calculates the additional levy portion (12.5%) of the regular program cost per pupil increase that is funded with state foundation aid through the Property Tax Replacement Payment. For FY 2018, *unless the Legislature establishes a state percent of growth and extends the provision to pick up the additional levy portion for FY 2018*, the Property Tax Replacement amount per weighted enrollment is \$74 as shown on line 8.17. The Property Tax Replacement Payment (PTRP) on line 8.19 is a reduction in general fund property tax and increase in state foundation aid.

Lines 8.20 through 8.31 calculate the adjusted additional property tax levy aid. Section 257.15, Code of Iowa, subsection 4 provides \$24,000,000 in state foundation aid to lower general fund property tax levies in districts with the highest additional property tax levy rate (lowest taxable valuation per pupil). In addition, revenue in the Property Tax Equity and Relief Fund from the statewide penny is designated for property tax relief through the school foundation aid formula. Property Tax Equity and Relief Funds of \$9,724,545 are available in FY 2018 to buy down the highest adjusted additional property tax levy rates to the statewide average. District weighted enrollment is used to calculate adjusted additional property tax levy aid. The adjustment from line 8.31 carries forward to line 8.43 as a reduction to the additional levy and line 9.8 as an increase to state foundation aid. After reducing all adjusted additional property tax levy rates to the statewide average, if additional funds are available, the foundation level will be increased. Aid and levy worksheet lines 8.32 through 8.36 provide an estimate of the property tax equity and relief funding calculation for the foundation level. *The property tax relief amounts on lines 8.28 and 8.31 are estimates. The final amounts will not be known until property valuations and budgets are complete.*

The property tax portion of the FY 2016 district special education excess positive balance, if any, has been entered on line 8.39. The formula to determine the property tax portion is [1 minus (the FY 2016 state special

education regular program foundation cost per pupil amount of \$5,640 divided by your FY 2016 regular program district cost per pupil)], multiplied by the total 2016 special education *positive* balance exceeding ten percent of the additional funds generated for special education, if any].

At this time, line 8.40 is zero for every district.

Section 9 Final State Foundation Aid. The state foundation aid is adjusted due to adjustments in the additional property taxes.

Section 257.12 Code of Iowa specifies that if a school district is required to repay property taxes due to property valuation reduction action of the property assessment appeal board or judicial action, the district can apply to the Department of Management for an adjustment in state foundation aid if the property valuation reduction meets certain requirements. The original property assessment must be at least \$5,000,000 and the amount of the reduction in the assessment must be equal to at least \$100,000 or 2% of the assessed value of all taxable property in the district prior to the reduction, whichever is less. Assessors are required to notify school districts if a protest or an appeal is filed with regard to the assessment of property valued at over \$5,000,000. County auditors should provide notice when an appeal is resolved and a school district is required to repay property taxes received during a prior year. The adjustment is equal to the amount of state foundation aid the school district would have received if it was determined using the reduced assessment of the applicable property (\$5.40 uniform levy multiplied by the net taxable valuation reduction).

If a school district is required to repay property taxes during FY 2017 and an application to receive an adjustment in state aid is filed prior to April 15, 2017, the adjustment will be included on the FY 2018 aid and levy worksheet. Enter the adjustment as an increase in state foundation aid on Line 9.10 of the aid and levy worksheet. If the application is made between April 15 and June 30, the adjustment will be made in the following budget year. No adjustment can be made for property taxes repaid during FY 2017 if the application is filed after June 30, 2016.

Section 10 Instructional Support Program. Enter the maximum instructional support program voted by the electorate or authorized by the board of directors on line 10.4. If your instructional support program includes an income surtax component, enter the surtax rate, in whole percentage points, on line 10.15. *Income taxes for 2015 will be available on the Department of Management's website - <https://dom.iowa.gov/schools> - sometime in March 2017. Until then, use 2014 taxes as an estimate for line 10.16.* Instructional support property taxes, on line 10.21, must be at least \$1.00. If line 10.21 is negative, reduce the surtax rate on line 10.15 by a full percentage point. If your Instructional Support Levy authorization specifies the funding is a combination of income surtax and property tax then the budget must include at least 1% income surtax. If your authorization does not specify income surtax then all funding must come from property taxes. On line 10.9, the estimated state taxable valuation per pupil has been entered. The number will change when total valuations and budget enrollments are complete.

Instructional support levy property taxes previously diverted to the city or county tax increment financing area now go to the school district. However, if the instructional support property tax revenue generated from the incremental valuation *is necessary* to pay principal and interest on debt for an urban renewal project incurred prior to April 24, 2012 and the county auditor certifies to the school district by July 1, the school district must pay over the amount certified. Payment is required by November 1 and May 1 of the fiscal year following certification to the school district. If the parties cannot agree on the amount, either party may appeal to the State Appeal Board before July 31 following certification.

Section 11 Educational Improvement Program. Schools that initiated educational improvement programs in FY 1992 are eligible for the educational improvement program covered by section 11. In addition, the three schools that had a maximum voted enrichment of 15% are also eligible for additional educational improvement funding, if approved by the voters. Enter the voted maximum portion and the income surtax rate on lines 11.2 and 11.4 respectively. Educational improvement property tax dollars must be at least \$1.00.

Section 12 Asbestos Program. This program is no longer available.

Section 13 Additional Levy Adjustments. No entries are needed in Section 13. Section 13 adjusts the additional property tax levy. Lines 13.1 through 13.9 compares the additional levy portion of utility replacement excise tax that was estimated for FY 2017 with the amount actually paid and adds or subtracts the difference to the additional property tax levy (see section 6 instructions).

Section 13 also computes the effect of the new C/I valuation rollback and state replacement payment on the additional levy (see section 6 instructions). This adjustment ensures that a school district does not collect both the state replacement for the additional levy portion of taxes lost on the C/I valuation rollback and also collect the same amount from other taxpayers in the district. Lines 13.10 through 13.14 estimate the FY 2018 additional levy portion of the state replacement. Lines 13.15 through 13.19 are used to adjust last year's estimate to the actual amount of state replacement, if necessary. Lines 13.20 through 13.25 calculate the total C/I adjustment.

Section 14 H.F. 726 Homestead Credit Payments. This adjustment is no longer required.

Section 15 Summary of General Fund Property Taxes. On line 15.9, enter the cash reserve levy to fund modified supplemental amounts approved by the SBRC during FY 2017 for any year prior to FY 2018. This might include special education deficit balance, on-time funding or open enrollment out. Include these amounts in the computation of unspent budget authority and to finance it with property taxes, on line 15.9 as a cash reserve levy. Note these amounts are subject to the Cash Reserve Levy limit (20% of total general fund expenditures minus the unexpended fund balance).

The cash reserve levy on line 15.10 is for cash flow purposes. Section 298.10, Code of Iowa limits the amount of cash reserve a school district can levy (line 15.9 plus line 15.10) to 20% of the total general fund expenditures shown on the 2016 Certified Annual Report (CAR) minus the assigned and unassigned fund balance shown on the 2016 CAR. On line 15.11, enter the portion, if any, of the general fund ending balance shown on the 2016 CAR, which the board of directors has authorized to be used to reduce property taxes.

The property tax rate for the instructional support levy is calculated based on regular taxable valuation plus tax increment valuation while the rest of the general fund tax rates are based only on regular taxable valuation. Line 15.14 is the general fund levy amount without the instructional support levy. Line 15.16 shows this subtotal general fund levy tax rate based on regular taxable valuation. Lines 15.17 through 15.19 calculate the instructional support levy rate based on regular taxable valuation plus tax increment valuation. The two levy rates from lines 15.16 and 15.19 are added together to get the total general fund levy rate shown on line 15.21.

Section 16 State Payments to AEA and district. No entries are needed in Section 16. This section calculates the state payments to the AEA on behalf of the districts and the remaining amount to be payments to the district.

Section 17 Summary of General Fund Budget Authority. Line 17.2 is filled in from the *UAB Wksht* and is the authority the district expects to be unspent on July 1, 2017. Line 17.3 is filled in from the *UAB Wksht* and is the amount of general fund ending balance, which the SBRC has allowed the district to use for completing a

construction project that has been voted by the people in a bond issue or VPPEL election. Line 17.8 is filled in from the *UAB Wksht* and is miscellaneous income other than the items already listed in section 17, which the district expects to receive during FY 2018. Line 17.9 reflects the ESTIMATED total maximum budget. District spending is limited by law to no more than the ACTUAL total maximum budget. Therefore, it is the district's responsibility to adjust spending to stay within that limit as the amount of actual FY 2017 unspent budget authority and FY 2018 miscellaneous income become known.

Section 18 Summary of Financing for General Fund Maximum Budget. No entries are needed in this section.

Section 19 Voted Physical Plant and Equipment (PPEL). The PPEL fund is not related to the General Fund. It is included on the aid and levy worksheet for the purpose of determining the total income surtax rate. The *InputsResults* worksheet fills in the maximum VPPEL rate voted on line 19.2 and the VPPEL surtax rate on line 19.4. If your VPPEL authorization specifies the funding is a combination of income surtax and property tax then the budget must include at least 1% income surtax. If your authorization does not specify income surtax then all funding must come from property taxes. Submit a Long-Term Debt Schedule if you have a new long-term loan or lease-purchase agreement payable from a VPPEL. You cannot obligate income surtaxes or regular PPEL to repay VPPEL long-term loan agreements. The limit on VPPEL is the lower of \$1.34 or the amount voted. A vote is not required on Regular Physical Plant and Equipment levies; and the statutory limit is \$.33. Tax increment valuation is added to regular taxable valuation to calculate both voted and regular PPEL dollars.

Section 20 All Income Surtax Rates and General Fund Surtax Dollars. No entries are needed in Section 20. The sum of all surtax rates on line 20.6 cannot exceed 20%.

Section 21 Other Property Taxes. Enter the amount of property taxes for other funds on the appropriate lines of the *InputsResults* worksheet. Line 21.6, debt service is automatically entered from Form 703.

Budget Year Worksheets (Forms S-W1 and S-W2)

Each of the Budget Year Worksheets contains columns for details of funds for the budget year. The fund structure is specified in chapter 298A, *Code of Iowa*. Please note that Form S-W2 Worksheet page 2 also includes information for the previous two years. The Excel file automatically transfers data entered here to the Proposed and Adopted Budget Summary forms. The resources and requirements categories are identical on all of the forms.

The Excel file includes optional worksheets for FY 2016 actual and FY 2017 re-estimated. These worksheets can be found under the WORKSHEET file type.

The totals from the Budget Crosswalk report have been entered into the FY 2016 Actual column under the FY18WK2 tab. These amounts are preliminary and may change with additional review of the CARs. Find the Budget Crosswalk report by going to the [Iowa Education Portal](#). After signing in, go to Edinfo / Finance Applications / "CAR-2016 Upload and Reports", and then click on "View Reports" and then "Budget Crosswalk". There are separate resource and requirement crosswalks between the budget and Uniform Financial Accounting categories later in these instructions.

For terminology definitions refer to the Department of Education's glossary of financial terms and the Uniform Financial Accounting Manual on the Department's website.

The Excel file transfers line 1 “taxes levied on property”, and line 2 “utility replacement excise tax” from Form S-TX Adoption of Budget and Taxes. However, if your utility replacement revenue is expected to be different from the amount calculated, line 2 can be adjusted.

Line 10 “state foundation aid”, line 11 “instructional support state aid” and line 35 “AEA support-direct to AEA” are transferred from the aid and levy worksheet. Include Secure an Advanced Vision for Education (SAVE) statewide school infrastructure sales and services tax revenue and mobile home taxes on line 12 “other state sources”. Include foster care payments on line 12 “other state sources”.

The Excel file transfers line 13 “commercial and industrial state replacement” from Form C I Est. However, if your C/I state replacement revenue is expected to be different from the amount calculated, line 13 can be adjusted.

Transfer line 03 "income surtaxes," from section 20 of the aid and levy worksheet. However, if FY 2018 will be the first year for authorization of surtax, receipt will be delayed until FY 2018, and should not be included on line 03. On the other hand, if a surtax expired in FY 2017 and was not renewed, the final payments will be received in FY 2018 and should be added to line 03.

Operating transfers on line 37 are limited to transfers authorized by the Code of Iowa, such as:

- Transfers to a Capital Projects fund to construct or purchase major facilities (Sec. 298A.9)
- Transfers to the Debt Service Fund to pay principal and interest on long-term debt (Sec. 279.48, 298A.10, and 473.20)
- Transfers to the General Fund, if approved by the voters (Sec. 278.1(5)).
- Transfers approved by the State Appeal Board (Sec. 24.22).
- Transfers approved by the Board of Directors from a fund whose purpose has gone out of existence (Sec. 24.21).

Include upward adjustments to beginning balances and transfers in on line 18. Include downward adjustments to beginning balances and transfers out on line 37. *Enter as positive numbers.*

Page 1 of the Worksheets includes General and Special Revenue (Activity; Management; Public Educational and Recreational Levy—PERL; Entrepreneurial Education, Reorganization Equalization, Library & Special Revenue Trust Funds; Emergency Levy and Disaster Recovery) Funds. Page 2 includes Capital Projects (Sales Tax; Physical Plant and Equipment - PPEL; Other Capital Projects), Debt Service and Proprietary (Nutrition; Other Enterprises) Funds. Exclude Internal Service Funds, Permanent Funds, and Fiduciary Funds. Expenditures from Permanent Funds would have been operating transfers to the appropriate fund for the expenditures and budget in that fund. See the “Funds” section of these instructions for a description of each fund.

Proposed and Adopted Budget Summaries (Forms S-PB and S-AB)

The Proposed and Adopted Budget Summaries are formatted in the same manner, except the Proposed Budget Summary includes a proposed tax rate and Notice of Public Hearing.

The resource and requirement categories on these forms are exactly the same as appears on the Budget Year Worksheets with one exception: two subtotals appear on lines 31A and 35A of the summaries. After the Proposed Budget Summary is published, the expenditures published for Instruction (line 23), Total Support Services (line 31A), Noninstructional Programs (line 32), or Total Other Expenditures (line 35A) cannot be increased, unless you republish the budget and hold another hearing.

The Budget 2018 column is simply the sum of the same line numbers for all funds from the Budget Year Worksheets, pages 1 and 2. The Excel file automatically transfers information from the Worksheets.

The total adopted taxes on Form S-TX for the Budget cannot exceed the taxes published.

When publishing the Proposed Budget Summary, be certain to include the Notice of Public Hearing. Enter the Location of Public Hearing, Date of Hearing and Time of Hearing on the Proposed Budget Summary. Notice of the public hearing must be made by publication in a newspaper of general circulation within the district not less than ten nor more than twenty days before the hearing. The budget software includes a separate page for the public hearing notice (Publication tab). This printout is identical to the Proposed Budget Summary except it is printed in 6-point font, the minimum allowed for public notices.

Create a PDF file for your newspaper by using the File/Save As function or Save as Adobe PDF function of Microsoft Excel.

Adoption of Budget and Taxes (Tax Certification) (Form S-TX)

This form is useful as a temporary worksheet, even though you cannot finalize it until you have proposed and adopted the budget. The Excel file transfers from the aid and levy worksheet all data for the sections entitled “Total Special Program Funding”, “Special Program Income Surtax Rates” and “Utility Replacement and Property Taxes Adopted”.

The Utility Tax Replacement legislation (chapter 437A, Code of Iowa) replaced the property tax on gas and electric utility companies with an excise tax based upon energy delivered. The law requires tax levy rates to be computed using valuation *with* gas and electric utilities. Once computed, the rate is applied to the valuation *without* gas and electric utilities to arrive at actual property tax dollars and estimated utility tax replacement dollars.

Bond Schedules (Forms 703 and 703A)

Complete Form 703A "20-Year Worksheet--Long-Term Debt Schedule" for each new bond issue, long-term loan agreement, or lease-purchase arrangement. Once completed, the worksheet is good for the life of the issue; and should be retained in your files.

File a bond resolution with the county auditor before May 1, 2017, if you intend to include taxes for a new bond issue in the FY 2018 levy.

Complete a Long-Term Debt Schedule (Form 703) each year you intend to levy for retirement of long-term debt, as it summarizes budgetary requirements for all your long-term debt for bonds, loan agreements, and lease-purchase arrangements from any fund. Complete this schedule using the information from the 20-Year Worksheets.

Column I on Form 703 asks for the amount of the total obligation due (column H) that will be paid from other appropriate funds or the fund balance in the appropriate fund. The appropriate source of funds for long-term debt payments include:

- General Obligation Bonds – Debt Service Levy, SAVE Statewide Sales Tax, RPPEL/VPPEL (for principal only).
- Revenue Bonds – SAVE Statewide Sales Tax, RPPEL/VPPEL.

- Loans – General Fund or RPPEL/VPPEL (paid from the fund where proceeds were originally deposited).
- Lease-Purchase Payments – RPPEL/VPPEL.

Column J shows the current year Debt Service Levy that will be used to make General Obligation Bond payments. The Debt Service Levy cannot be abated unless there are funds on hand (such as SAVE Statewide Sales Tax) at the time the tax levies are certified to the county auditor. Future PPEL income surtaxes and regular PPEL cannot be obligated for long-term debt payments, however, funds on hand can be used to retire any debt that is appropriate to be retired from voter approved PPEL.

In addition, submit a Long-Term Debt Schedule if you have a long-term loan agreement payable from any PPEL, or General Fund. The proceeds of these loan agreements, if related to real property, should be deposited in the fund of origination, and then transferred to and expended from a Capital Projects Fund. Property taxes should be credited to the Physical Plant and Equipment Fund. Payments of principal and interest should be transferred when due from the General, or SAVE Statewide Sales Tax Capital Projects Fund, or Physical Plant and Equipment Fund, as appropriate, to the Debt Service Fund. The principal and interest payments are then made from the Debt Service Fund.

Section 279.48, Code of Iowa permits loan agreements to be entered into for equipment purchases in the General Fund. The repayment of those loan agreements, however, must be financed with operating transfers from the General Fund to the Debt Service Fund. Debt Service property taxes cannot be used. Energy loan agreements under Sec. 473.20, and bus loans under Ch. 285 should be handled in the same manner. You cannot obligate income surtaxes or regular PPEL for loan agreements.

Tax increment valuation (TIF) is added to regular taxable valuation to arrive at the debt service valuation. Enter all valuations in the valuations section of the *InputsResults* worksheet.

Unspent Authorized Budget Worksheet

The Unspent Authorized Budget Worksheet is an optional worksheet that can be used to calculate FY 2017 and FY 2018 estimated maximum general fund spending authority. Located under the UAB Wksht tab, the actual Unspent Authorized Budget is provided for the three preceding fiscal years. The second page of this worksheet shows the categorical funding components of the unspent authorized budget. Fill in the missing data for the current fiscal year and FY 2018.

Budget Amendments

During the budget year, your limits on spending are the expenditures adopted on lines 23, 31A, 32, and 35A of the Adopted Budget Summary (the General Fund is also limited by available spending authority, of course). You can exceed the certified limits by amending the budget. You should amend the budget *before* you exceed the amount adopted on lines 23, 31A, 32 or 35A. If you amend the budget after May 31 and it is protested; and the State Appeal Board does not have adequate time for a hearing and decision on the protest, then the budget amendment is void.

Form S-A Publication (tab Amend Publ) and Form S-A Adopted (tab Amend Adopt) are for amending FY 2017 budgeted expenditures. Use Form S-A Publication for publication of the amendment hearing notice and Form S-A Adopted for the adoption of the amendment. The notice of public hearing on a budget amendment must be published not less than ten or more than twenty days before the hearing.

Create a PDF file for your newspaper by using the File/Save As function or Save as Adobe PDF function of Microsoft Excel.

File two copies of adopted budget amendments, with the proof of publication, with the control county auditor. The county auditor will compare the proof of publication with the budget amendment and forward one copy to the Department of Management.

Funds

The General Fund is used to account for all transactions except those that are required by law to be accounted for in another fund.

The Student Activity Fund is a special revenue fund used to account for money received from student-related activities such as admissions, activity fees, student dues, student fund-raising events, or other student-related cocurricular or extracurricular activities. Moneys in this fund must be used to support only the program defined in the administrative rules of the department of education. The Activity Fund should not be used as a clearing account for another fund and transfers between accounts within the Activity Fund should not be recorded as revenues (resources) or expenditures (requirements) or operating transfers.

The Management Fund is a special revenue fund used to account for all financial transactions from the levy authorized under section [298.4](#), Code of Iowa. The purpose of this fund is to pay the costs of unemployment, early retirement benefits, the costs of liability insurance, judgments or settlements relating to liability, and mediation and arbitration costs. This fund cannot be used for employee health, life, or disability insurance, even if the district is self-insured.

The Public Education and Recreation Fund (PERL) is a special revenue fund used to account for all financial transactions from the levy authorized by section [300.2](#), Code of Iowa, or from a 28E agreement authorized under section [300.1](#). This levy is limited to no more than 13.5 cents and, once approved by the electors, remains in effect until voted to be discontinued.

The Entrepreneurial Education Fund, Reorganization Equalization Levy Fund, Library Levy Fund and Special Revenue Trust Funds are included in the same column on the worksheets.

The Entrepreneurial Education Fund authorized in section [298A.15](#), Code of Iowa can be established at the request of a student organization or club and upon approval by the school board for the purposes of enhancing student learning by encouraging students to develop and practice entrepreneurial skills at an early age and of fostering a business-ready workforce in Iowa.

The Reorganization Equalization Levy authorized in section [275.31](#), Code of Iowa can be used if necessary after districts reorganize, dissolve or merge to equalize the division of liabilities and distribution of assets, and satisfy the mandatory levy required in section [76.2](#). The Equalization Levy may be imposed solely against the territory in the school district that comprises territory of the former school district. A school board may take action to implement the Equalization Levy for just one school year at a time, but the board may vote to re-impose the levy more than once. Proceeds from the Equalization Levy are deposited in a special revenue fund. Moneys in the fund are then transferred before the end of the fiscal year to the funds for which equalization was necessary and for which the taxes were levied. See Iowa Administrative Code [281—98.112](#) for more information on the Reorganization Equalization Levy fund.

Only one school district, Clear Creek-Amana, is authorized to use the Library Levy Fund to account for all financial transactions from the levy authorized under section [298.7](#), Code of Iowa. This levy is limited to no more than 20 cents and, once approved by the electors, remains in effect until voted to be discontinued.

The Special Revenue Trust Fund is a special revenue fund used to account for all financial transactions from moneys received in trust by the district where those moneys, both principal and interest, are to benefit the district.

The Emergency Levy Fund and Disaster Recovery Fund are included in the same column on the worksheets. The Emergency Levy Fund is a special revenue fund used to account for receipts from the disaster recovery emergency tax. The Emergency Levy tax levy cannot exceed 27 cents and can only be levied upon approval of the State Appeal Board. Once the levy has been received, districts may request approval of the School Budget Review Committee to transfer the funds to any other fund of the district for the purpose of meeting deficiencies in a fund arising within two years of a disaster as a result of the disaster as defined in Section [29C.2\(4\)](#), Code of Iowa. See Iowa Administrative Code [281—98.111](#) for more information on the Emergency Levy fund. The Disaster Recovery Fund is a fund used to accumulate costs related to a major disaster when costs include both capital and operating expenditures.

The Capital Projects Funds are divided into three columns on the worksheets – SAVE Statewide Sales Tax; Physical Plant and Equipment; Other Capital Projects. Other Capital Projects Funds are established when a district issues bonds or other authorized indebtedness for capital projects or which initiates a capital project, or receives grants or other funds for capital projects. These capital projects are those related to the acquisition or construction of major capital facilities other than those financed by proprietary funds or fiduciary funds. When a capital project for facilities is lawfully initiated in any existing fund, the moneys for that project are transferred to a capital project fund by an operating transfer from the fund authorized to initiate the acquisition or construction. The payment of the project's expenditures should be made from the capital project fund established to account for the project.

The Physical Plant and Equipment Fund (PPEL) is a capital projects fund used to account for all financial transactions from the levy authorized, whether regular or voter-approved, under section [298.2](#), Code of Iowa. This fund is created to deposit and expend money from a levy certified by the Board of Directors not to exceed 33 cents and/or a levy authorized by a simple majority of the voters not to exceed \$1.34. The purpose of the fund is to pay the costs of specified major expenditures related to real property and equipment.

The Debt Service Fund is established when a district issues bonds or other authorized general long-term indebtedness, except those financed by proprietary or trust funds. The purpose of the fund is to pay interest as it becomes due and the amount necessary to pay the principal when due on bonds or other authorized indebtedness issued by the district, and to make payments required under a loan, lease-purchase agreement, or other evidence of indebtedness authorized by the Code of Iowa. Moneys available to service this debt and received from sources other than the debt service property tax levy shall be transferred to the Debt Service Fund through an operating transfer from the fund which issued the original indebtedness, or from the SAVE statewide sales tax fund where authorized by the Code of Iowa and the payment of the debt shall be made from the debt service levy fund. Consider beginning balances and interest earnings when determining the levy necessary each year for principal and interest payments on bonded indebtedness.

The School Nutrition Fund is a proprietary enterprise fund used to account for all transactions for the nutrition program authorized under chapter [283A](#), Code of Iowa. If general fund resources are used to subsidize the school nutrition program, the funds are transferred to the school nutrition fund and expenses recorded there.

The other Enterprise Funds are proprietary funds used to account for all financial transactions related to operations that are financed and operated in a manner similar to private business, where the intent is that the costs of providing goods or services on a continuing basis be financed or recovered primarily through user charges. Examples would be public swimming pools, preschools, automotive repair shops, farms, and home

construction projects. Do not include Internal Service Funds. All other enterprise funds should be aggregated into one column on the budget forms.

Expenditures for the payment of general long-term debt, including both principal and interest must be budgeted in the debt service fund. The principal portion of short-term debt (such as ISCAP, stamped and anticipatory warrants, and interfund loans) should not be budgeted in any fund, even if a portion remains outstanding at the end of the fiscal year. The principal portion of short-term debt is a balance sheet transaction and is not reported as either revenue or expenditures. Interest payments, however, should always be budgeted.

For more information on appropriate sources and uses of money within each fund, refer to the Uniform Administrative Procedures Manual for Iowa LEAs, which is available on the Department of Education's website.

Resources and Requirements

The far right column of the Budget Year Worksheet Page 2, Proposed and Adopted Budget Summary forms, "Actual 2016," is completed using preliminary amounts from the FY 2016 Certified Annual Report. These amounts may change upon further review of the CARs.

Budget/UFA Resources Crosswalk		
Budget Resource Categories	Line	Uniform Financial Accounting Source Codes
Taxes Levied on Property	01	1110-1119
Utility Replacement Excise Tax	02	1171
Income Surtaxes	03	1130-1139
Tuition/Transportation Received	04	1300-1499
Earnings on Investments	05	1500-1599
Nutrition Program Sales	06	1600-1699
Student Activities and Sales	07	1700-1799
Other Revenues from Local Sources	08	1000-1109, 1140-1170, 1172-1299, 1800-1999
Revenue from Intermediary Sources	09	2000-2999
State Foundation Aid	10	3111, 3113, 3116, 3117, 3204, 3214, 3216, 3373, 3376
Instructional Support State Aid	11	3112
Other State Sources	12	3000-3110, 3114-3115, 3118-3203, 3205-3210, 3217-3372, 3374, 3375, 3377-3801, 3804-3999
Commercial and Industrial Replacement	13	3803
Title 1 Grants	14	4501-4509
IDEA & Other Federal Sources	15	4000-4033, 4038, 4040-4500, 4510-4999
<i>Total Revenues</i>	16	Sum of budget lines 1 through 15
General Long-Term Debt Proceeds	17	5100-5199, 5400-5699
Transfers In, Special Items, Extraordinary Items, Upward adjustments to beginning balance	18	5200-5299, 5900-6499
Proceeds of Fixed Asset Dispositions	19	5300-5399
Total Revenues & Other Sources	20	Sum of budget lines 16 through 19
Beginning Fund Balance	21	Determine re-estimated and budgeted from other financial records
Total Resources	22	Sum of budget lines 20 and 21

Budget/UFA Requirements Crosswalk		
Budget Requirement Category	Line	Uniform Financial Accounting Function Codes
Instruction	23	1000-1999
Student Support Services	24	2100-2199
Instructional Staff Support Services	25	2200-2299
General Administration	26	2300-2399
School/Building Administration	27	2400-2499
Business & Central Administration	28	2500-2599
Plant Operation and Maintenance	29	2600-2699
Student Transportation	30	2700-2799
This Row is Intentionally Left Blank	31	
Noninstructional Programs	32	3000-3999
Facilities Acquisition and Construction	33	4000-4999
Debt Service	34	5000-5999
AEA Support - Direct to AEA	35	6100, Object Code 961
<i>Total Expenditures</i>	36	Sum of lines 23 through 35
Transfers Out, Special Items, Extra Ordinary Items, Downward adjustments to beginning balance	37	6100-6999 except Object Code 961, AEA flowthrough
Total Expenditures & Other Uses	38	Sum of lines 36 and 37
Ending Fund Balance	39	Determine re-estimated and budgeted from other financial records
Total Requirements	40	Sum of lines 38 and 39

Excel File Checklist

General:

Start by selecting your school and filling in the contact person's name and phone number. Then save the file under a new name to create a working document. Save early and often (File, Save) while working on the budget.

Aid and Levy Worksheet:

- Section 1: Verify line 1.1 budget enrollment with your final certified enrollment summary on the Department of Education's website.
Enter audit changes on the *InputsResults* worksheet as provided by your auditor.
- Section 3: Verify lines 3.1, 3.2, and 3.3 with your special education headcount provided by the AEA, line 3.9 with the certified supplementary weighting application and line 3.11 with your final certified enrollment summary on the website. Supplementary weight for AEA sharing, line 3.7; at-risk supplementary weight, line 3.10; and reorganization supplementary weight carryforward, line 3.12 are provided.
- Section 4: Verify line 4.56 with the certified supplementary weighting application and 4.57 with your final certified enrollment summary.
- Section 5: Enter line 5.17 SBRC modified supplemental amount dropout on the *InputsResults* worksheet. This amount must equal the modified supplemental amount on your at-risk/dropout program application form and approved by the SBRC.
- Section 7: Verify line 7.28 preschool budget enrollment with your final certified enrollment summary on the website. Enter line 7.31 on the *InputsResults* worksheet audited change in October 2015 preschool budget enrollment provided by your auditor.
- Section 9: Verify line 9.10 state foundation aid adjustment for property tax repayment due to property assessment appeal if applicable.
- Section 10: On the *InputsResults* worksheet:
Enter line 10.4 instructional support program maximum portion,
line 10.15 instructional support income surtax rate, and
line 10.16 2015 district income tax paid (use 2014 district income tax as an estimate).
- Section 11: Enter line 11.2 education improvement program voted maximum portion, and
line 11.4 education improvement income surtax rate.
- Section 15: Enter lines 15.9 and 15.10 cash reserve levy, and
line 15.11 use of fund balance to reduce taxes.
- Section 19: Enter line 19.2 voted PPEL rate limit, and
line 19.4 voted PPEL income surtax rate.
- Section 21: Enter lines 21.1 through 21.6 other property and utility replacement excise taxes.

Proposed Budget Summary:

Enter the public hearing location, date and time.

Adopted Budget Summary:

Review the printout.

Adoption of Budget and Taxes (Tax Certification):

Enter net taxable valuation and tax increment valuation *with* and *without* gas and electric utilities. Enter commercial and industrial valuations.

Budget Year Worksheets:

The far right column of page 2, actual FY 2016 has been completed with preliminary information from the CAR. Complete the re-estimate FY 2017. The WORKSHEET file type has optional worksheets 1 and 2 that can be used to calculate FY 2016 actual and FY 2017 re-estimated by fund. The FY 2016 Actual worksheets include ending fund balances from the CAR. These amounts are also shown on the FY 2017 Re-estimated worksheets as beginning fund balances.

Bond Schedules (Form 703 and 703A):

Complete Form 703A for each new bond issue, long-term loan agreement, and lease-purchase arrangement (it can be found in the budget software under the Worksheet file type). Complete all of Form 703 for long-term debt levies.

Error Sheet:

Review warnings and correct all errors prior to budget submission.

Publication:

Review the printout.

Budget Amendment:

Complete both forms, if a budget amendment is necessary. Form S-A Publication is for publication of the amendment hearing notice. Form S-A Adopted is submitted to the control county auditor on paper only. Both forms can be found in the budget software under the Worksheet file type.